

August 29, 2014

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Ms. Jocelyn Boyd South Carolina Public Service Commission Synergy Business Park, The Saluda Building 101 Executive Center Drive Columbia, South Carolina 29210

Re: Application of Palmetto Telephone Communications, LLC for a Certificate of Public Convenience and Necessity to Provide Local Exchange and Exchange Access Service to Customers Located in Certain Areas of the State of South Carolina

Docket No. 2014-324-C

Dear Ms. Boyd:

Enclosed for filing on behalf of Palmetto Telephone Communications, LLC, please find the verified testimony of Jason J. Dandridge in the above-referenced matter.

Thank you for your assistance.

Very truly yours,

McNAIR LAW FIRM, P.A.

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Margaret M. Fox

MMF:hme Enclosures

cc: Parties of record

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BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2014-324-C

IN RE:

Application of Palmetto Telephone Communications, LLC)
for a Certificate of Public Convenience and Necessity to Provide)
Local Exchange and Exchange Access Service to Customers)
Located in Certain Areas of the State of South Carolina)

TESTIMONY OF JASON J. DANDRIDGE

- 1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
- 2 A. My name is Jason J. Dandridge. My business address is 2471 Jefferies Highway, Walterboro,
- 3 South Carolina.
- 4 Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?
- 5 A. I am Chief Executive Officer of Palmetto Rural Telephone Cooperative, Inc., and Palmetto
- 6 Telephone Communications, LLC.
- 7 PLEASE BRIEFLY OUTLINE YOUR EDUCATION, TRAINING, AND
- 8 EXPERIENCE IN THE TELEPHONE INDUSTRY.
- 9 A. I have over 16 years of telecommunications experience with Palmetto Rural Telephone
- 10 Cooperative, Inc., the parent company of Palmetto Telephone Communications, LLC. I
- started with the cooperative as Staff Engineer and was later promoted to Assistant General COLUMBIA 1172877v1

Manager. In my current role as Chief Executive Officer, I am responsible for ensuring the long term business and financial viability of the company; managing the activities of the company directly and through other key personnel; interpreting and implementing policies; evaluating new business opportunities and making recommendations to the Board of Directors; ensuring all operations comply with applicable federal, state, and local regulations; and ensuring the success of the company within the guidelines and authority established by the Board of Directors. I graduated from Clemson University in 1994 with a Bachelor of Science degree in Civil Engineering, and earned an MBA from The Citadel in 2001.

Q.

A.

ON WHOSE BEHALF ARE YOU TESTIFYING HERE TODAY AND WHAT IS THE PURPOSE OF YOUR TESTIMONY?

I am testifying on behalf of Palmetto Telephone Communications, LLC ("Palmetto"). By its Application, Palmetto requests that the Public Service Commission of South Carolina ("Commission") amend Palmetto's existing Certificate of Public Convenience and Necessity to expand the area for which Palmetto is authorized to provide local exchange and exchange access service. The purpose of my testimony is to describe the expanded geographic area Palmetto seeks to serve, and to demonstrate that Palmetto possesses sufficient technical, financial, and managerial resources to provide local exchange and exchange access telecommunications services in those areas of the State of South Carolina for which it seeks to expand its certification.

Q. PLEASE GIVE A BRIEF OVERVIEW OF PALMETTO TELEPHONE COMMUNICATIONS.

A.

A. Palmetto was organized as a Limited Liability Corporation in the State of South Carolina in 1998. In 1999, by Commission Order No. 1999-617 in Docket No. 1999-309-C, Palmetto received a certificate to provide resold interexchange telecommunications services within the State of South Carolina. In 2004, by Commission Order No. 2004-1 in Docket No. 2003-270-C, Palmetto received a certificate from the Commission to provide competitive local exchange and exchange access service to customers located in the Walterboro exchange served by Frontier Communications of the Carolinas, Inc. ("Frontier"), and approving flexible regulation of Palmetto's local exchange service offerings. In 2011, the Commission granted Palmetto's request to expand its certificate to include authority to provide service to the Yemassee, Ehrhardt, Olar, and Fairfax exchanges served by Frontier, and the Hampton and Estill exchanges served by United Telephone Company of the Carolinas, Inc., d/b/a CenturyLink ("CenturyLink"). See Commission Order No. 2012-75 in Docket No. 2011-303-C. Palmetto is a wholly owned subsidiary of Palmetto Rural Telephone Cooperative, Inc., which has been providing local exchange telephone service in the State of South Carolina since 1955.

O. WHAT AUTHORITY IS PALMETTO SEEKING IN THE CURRENT PROCEEDING?

Palmetto seeks to amend its Certificate of Public Convenience and Necessity, pursuant to S.C. Code Ann. § 58-9-280 and the rules and regulations of the Commission, to permit it to provide local exchange and exchange access service to customers located in those areas of the State of South Carolina that are served by BellSouth Telecommunications, Inc. d/b/a AT&T South

1		Carolina ("AT&T"); Frontier; CenturyLink; Windstream South Carolina, LLC ("Windstream");
2		and other incumbent local exchange carriers ("ILECs") whose rural exemptions under 47 U.S.C.
3		§251(f)(1) have been terminated by the Commission, as opportunities and facilities become
4		available.
5	Q.	PLEASE DESCRIBE THE SERVICES PALMETTO PROPOSES TO PROVIDE IN THE
6		EXPANDED AREA.
7	A.	Palmetto will provide the same service, under the same terms and conditions, to customers
8		located in the expanded area as it is currently providing to customers in its presently certificated
9		service area. Palmetto will offer the service at rates comparable to those of the incumbent LEC
10		serving the area.
11	Q.	DOES PALMETTO POSSESS SUFFICIENT TECHNICAL, MANAGERIAL AND
11 12	Q.	DOES PALMETTO POSSESS SUFFICIENT TECHNICAL, MANAGERIAL AND FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT
	Q.	
12	Q.	FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT
12 13		FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT REQUESTS AUTHORITY?
12 13 14		FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT REQUESTS AUTHORITY? Yes. Palmetto's existing certificate was granted to Palmetto upon a finding by the Commission
12 13 14 15		FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT REQUESTS AUTHORITY? Yes. Palmetto's existing certificate was granted to Palmetto upon a finding by the Commission that Palmetto has the technical, financial, and managerial resources sufficient to provide the
12 13 14 15 16		FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT REQUESTS AUTHORITY? Yes. Palmetto's existing certificate was granted to Palmetto upon a finding by the Commission that Palmetto has the technical, financial, and managerial resources sufficient to provide the requested services within the State of South Carolina, and that Palmetto meets all other
12 13 14 15 16		FINANCIAL RESOURCES TO PROVIDE THE SERVICES FOR WHICH IT REQUESTS AUTHORITY? Yes. Palmetto's existing certificate was granted to Palmetto upon a finding by the Commission that Palmetto has the technical, financial, and managerial resources sufficient to provide the requested services within the State of South Carolina, and that Palmetto meets all other requirements of certification. Palmetto continues to meet these requirements, as demonstrated in

attached as Exhibit B to the Application. Palmetto has been operating as a telecommunications

carrier in South Carolina since 1999, and as a competitive local exchange carrier since 2004. Palmetto's parent company, Palmetto Rural Telephone Cooperative, Inc., has had telecommunications operations in South Carolina since 1955 and has substantial plant and facilities in the State. As demonstrated in Palmetto's prior certification proceedings as well as Attachments A and B to the Application, and as demonstrated by Palmetto's service history and the Annual Reports that are filed with the Commission and the Office of Regulatory Staff by Palmetto and its parent company on an annual basis, Palmetto has the technical, managerial, and financial resources necessary to provide service in the requested areas. WILL GRANTING PALMETTO'S REQUEST SERVE THE PUBLIC INTEREST?

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9 Q.

- Yes. Amending Palmetto's certificate to expand its service area will serve the public interest. 10 A. Palmetto is an established competitive local exchange carrier in South Carolina. Provision of 11 service by Palmetto in the requested service area will enhance competition in the State of South 12 Carolina by offering additional service options and high service quality to South Carolina 13 14 telecommunications users.
- WILL THE SERVICE PROVIDED BY PALMETTO MEET ALL SERVICE 15 Q. STANDARDS THAT THE COMMISSION MAY ADOPT? 16
- Yes. Palmetto will continue to meet all service standards that the Commission may adopt, as 17 A. 18 it does today.

1	Q.	WILL THE PROVISION OF SERVICE BY PALMETTO ADVERSELY IMPACT
2		THE AVAILABILITY OF AFFORDABLE LOCAL EXCHANGE SERVICE IN
3		SOUTH CAROLINA?
4	Α.	No. The service provided by Palmetto in the expanded service area will not adversely impact
5		the availability of affordable local exchange service in South Carolina.
6	Q.	WILL PALMETTO ACTIVELY PARTICIPATE IN THE SUPPORT OF
7		UNIVERSALLY AVAILABLE TELECOMMUNICATIONS SERVICE AT
8		AFFORDABLE RATES?
9	A.	Yes. To the extent it may be required to do so by the Commission, Palmetto will participate
10		in the support of universally available telecommunications services at affordable rates.
11	Q.	IS PALMETTO REQUESTING FLEXIBLE REGULATION OF ITS LOCAL
12		EXCHANGE SERVICE OFFERINGS?
13	A.	Yes. The Commission has previously granted Palmetto's request for flexible regulation of its
14		local exchange telecommunications services. <u>See</u> Commission Order No. 2004-1 in Docket No.
15		2003-270-C. Palmetto requests the same treatment for local exchange telecommunications
16		services provided in the expanded area for which it requests certification.
17	Q.	WHAT ACTION ARE YOU ASKING THE COMMISSION TO TAKE IN REGARD
18		TO THIS APPLICATION?
19	A.	Palmetto Telephone Communications, LLC respectfully requests that the Commission approve
20		its Application to amend its Certificate of Public Convenience and Necessity to permit it to

provide local exchange and exchange access services to customers located in those areas

described in Palmetto's Application and this testimony, and that Palmetto's rates and tariffs for such local telecommunications service in the expanded area be regulated in accordance with the principles and procedures established for flexible regulation, consistent with the authority previously granted by the Commission to Palmetto for the local exchange areas it currently serves.

6 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.

VERIFICATION

I, Jason J. Dandridge, first being duly sworn, depose and say that I am Chief Executive Officer of Palmetto Telephone Communications, LLC; that I have read the foregoing pre-filed testimony and know the contents thereof; and that said contents are true.

SWORN to before me this

24 day of August, 2014.

My Commission expires: 7-25-12

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	_)

CERTIFICATE OF SERVICE

I, Heather M. Elder, do hereby certify that I have this date served one (1) copy of the verified testimony of Jason J. Dandridge on behalf of Palmetto Telephone Communications, LLC in the above-referenced docket upon the following parties causing said copy to be deposited with the United States Postal Service, first class postage prepaid and properly affixed thereto, and addressed as follows:

C. Lessie Hammonds, Esquire Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, South Carolina 29201 Andrew M. Bateman, Esquire Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, South Carolina 29201

Heather M. Elder, Legal Assistant

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August 29, 2014

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